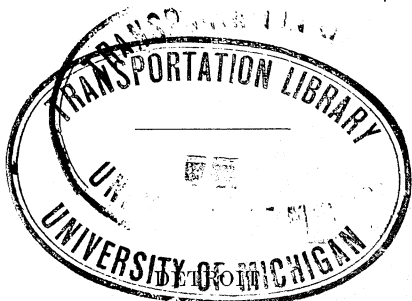


REPORT
OF THE
PRESIDENT AND DIRECTORS
OF THE
MICHIGAN CENTRAL
RAILROAD COMPANY,
TO THE STOCKHOLDERS,

FOR

THE YEAR ENDING DECEMBER 31ST, 1880.



JOHN F. EBY & CO., PRINTERS, 40 EARNED STREET WEST.
1881.

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DETROIT:
JOHN F. EBY & CO., PRINTERS, 46 LARNED STREET WEST.
1881.

DIRECTORS.

WM. H. VANDERBILT,
NEW YORK CITY.

CORNELIUS VANDERBILT,
NEW YORK CITY.

AUGUSTUS SCHELL,
NEW YORK CITY.

SAMUEL F. BARGER,
NEW YORK CITY.

WM. K. VANDERBILT,
NEW YORK CITY.

EDWIN D. WORCESTER,
NEW YORK CITY.

ANSON STAGER,
CHICAGO, ILL.

WILLIAM L. SCOTT,
ERIE, PENN.

ASHLEY POND, DETROIT, MICH.

OFFICERS.

PRESIDENT,
WM. H. VANDERBILT.

TREASURER,
CORNELIUS VANDERBILT.

ASS'T TREASURER,
HENRY PRATT.

VICE PRESIDENT,
CORNELIUS VANDERBILT.

SECRETARY,
EDWIN D. WORCESTER.

GENERAL MANAGER,
HENRY B. LEDYARD.

AUDITOR,
D. A. WATERMAN.

GENERAL OFFICES.

NEW YORK CITY,	GRAND CENTRAL DEPOT.
DETROIT, MICH.,	FOOT OF THIRD STREET.
CHICAGO, ILL.,	FOOT OF SOUTH WATER STREET.

ANNUAL MEETING.

THURSDAY FOLLOWING THE FIRST WEDNESDAY IN MAY.

REPORT.

NEW YORK, April 15, 1881.

The business of the Company for the year ending December 31st, 1880, with the condition of its property and affairs, is fully set forth in the following report, which is respectfully submitted:

CAPITAL STOCK.

The Capital Stock is \$18,738,204, being unchanged from our last report. See Balance Sheet, folio 22.

FUNDED DEBT.

The changes in the Funded Debt have resulted in its reduction as follows:

The Sinking Fund Trustees have purchased \$18,000 of the First Sinking Fund, and \$5,000 of the Second Sinking Fund Bonds—a total of \$23,000.

The Trustees of the Jackson, Lansing and Saginaw Railroad Northern Extension Bonds, have called in, and with proceeds of land sales paid and canceled of that issue, \$318,000.

Thus, by the above changes the Company's liability is diminished \$341,000, and its annual interest payments \$27,280.

For a full description of the Debt see table on folio 20.

PROPERTY.

As anticipated in our previous report, the condition of the property has been much improved, and the results of the year in that respect are very gratifying. The improvement is marked in the Roadway and Track, Bridges, Buildings, Station Grounds

and Rolling Stock, for which there has been expended, in excess of the amount necessary for actual maintenance, say \$750,000, the particulars of which are fully detailed in the General Manager's report herewith.

OPERATING.

The business of the year was the most successful in the history of the company, the particular features of which are the largely increased volume of traffic, the considerable and permanent improvement of the property, and the resulting dividend of eight per cent paid to the shareholders.

The Freight Tonnage shows an increase of 8.06 per cent over the unprecedented volume of the previous year, and the earnings also show an increase of 24.24 per cent.

The Passenger Movement shows an increase of 17.58 per cent, and the earnings therefrom an increase of 19.32 per cent, but the rate per passenger per mile shows a decrease from cents 2.21 to cents 2.13, or 3.62 per cent. This is due to an increased emigrant and excursion traffic at less than average rate of last year.

The Operating Expenses show an increase in their per cent to earnings, viz: from 63.97 to 64.11, or fourteen-hundredths of one per cent, which is small, in view of the fact that for the improvement of the property there was charged to expenses say \$600,000, which could very properly have been charged to Construction account. Had this amount been so charged, the operating expenses would have been but 57.41 per cent, or a reduction of 6.56 per cent from last year.

CONSTRUCTION.

This account, for the entire system, has increased during the year, as stated in the General Manager's report, \$271,109, of which amount the cost of Lands and New Second Track, viz: \$95,184, was paid with funds derived from traffic; but the cost of 227 New Freight Cars, viz., \$175,925, was paid with proceeds of sundry securities which the Company had theretofore held.

FINANCIAL RESULT.

The result of the business for the year, and also its comparison with that of the last two years, are fully shown in the following table:

	1880.		1879.		1878.	
Gross Revenue		\$9,085,748 71		\$7,415,428 86		\$6,991,758 93
Operat'g Expenses,	\$5,738,751 09		\$4,699,592 43		\$4,367,238 81	
Construction Acc't.,	95,184 00		10,000 00		134,162 92	
Interest and Rental	1,569,429 58		1,587,782 00		1,615,950 00	
Guarant'd Interest.	16,980 00		33,920 00	6,331,294 43	33,920 00	6,151,271 73
Jackson Accident..	70,000 00	7,490,344 67				
Net Revenue.....		1,595,404 04		\$1,084,134 43		\$840,487 20
Dividends.....	8 per cent	1,499,056 32	5½ per cent	1,030,601 22	4 per cent	749,528 16
Cash Surplus		96,347 72		\$53,533 21		\$90,959 04

INCOME.

This account shows, after charging to it disbursements for Operating expenses (including extraordinary items enumerated), Interest and Rentals, Dividends and \$70,000 for Jackson Accident Claims (now all settled) — a net gain for the year of \$96,347.72.

The present balance of the account is composed as follows :

Detroit & Bay City guaranteed Interest	\$50,900 00
Construction Expenditures	105,184 00
Cash Surplus	149,880 93
Total	<u>\$305,964 93</u>

MISCELLANEOUS.

The report of the Trustees of the Sinking Funds occupies its usual place herein, and the fact that these funds were established to provide for the redemption of the eight per cent Bonds of the Company, maturing October 1, 1882, makes their reports of annually increasing importance.

Attention is invited to the report of the Land Commissioner of the Jackson, Lansing and Saginaw Land Grant. It is of

more than ordinary interest, as it shows the increasing prosperity and development of the northern portion of the Lower Peninsula, and indicates the rapid reduction of the mortgage debt on the Jackson, Lansing and Saginaw Road.

Especial attention is invited to the report of the General Manager in respect to the extension of the Jackson, Lansing and Saginaw line to the Straits of Mackinaw, which, it is expected, will be completed early in the autumn of 1881, and the advantages to be derived therefrom by a connection with the Marquette and Mackinaw Road, now building.

The excellent condition of the Company's property, and the successful operations of the year, are largely due to the faithful labor of the General Manager and his efficient assistants.

By order of the Board of Directors.

WM. H. VANDERBILT,
President.

REPORT

OF THE

GENERAL MANAGER.

DETROIT, MICH., March 15, 1881.

WM. H. VANDERBILT, Esq.,
 PRESIDENT MICHIGAN CENTRAL RAILROAD,
New York City.

DEAR SIR—Herewith are submitted statistics showing the business of the Road for the year ending December 31, 1880:

ROADWAY AND TRACK.

Length of Road operated same as given in last report.

	Miles.
MAIN LINE—Detroit to Kensington	270.00
Kensington to Chicago, used jointly with I. C. R. R	14.00
Total Main Line	284.00
Leased Lines	519.72
Total	803.72

About 4,700 tons of steel rail for repairs have been laid during the period covered by this report, the entire cost of which is included in Operating Expenses.

The number of miles now laid with steel is:

	Miles.
Main Line, main track	270.00
Main Line, second track	85.50
Air Line	103.60
Jackson, Lansing and Saginaw Division	42.95
Grand River Valley Division	44.74
Joliet and Northern Indiana	44.03
Total	590.82

During the same period side tracks have been built to the extent of ten miles, cost of same being included in Road Repairs.

DETAILS OF TRACK DEPARTMENT CHARGED TO OPERATING.

Track Ties renewed	334.929
Track ballasted	34.76 miles.
Fence built	108.03 "

BRIDGES.

Included in Bridge Repairs are the following replacements of Wooden Pile Bridges, over Huron River, with Iron Truss Bridges, Stone Abutments:

One and one half miles west of Ann Arbor, 127 feet in length; $\frac{1}{4}$ mile west of Fosters, 120 feet in length; $\frac{1}{4}$ mile east of Delhi, 160 feet in length; $\frac{1}{2}$ mile west of Delhi, 160 feet in length; $\frac{1}{4}$ mile west of Scio, 120 feet in length.

In addition to the above, an Iron Bridge 632 feet in length, with Stone Abutments and Piers, has been built over the St. Joseph River, at Niles, for the second track. Twelve Wooden Bridges of various lengths have been rebuilt, and 1,754 feet of Bridges filled, requiring 17,769 cubic yards of earthwork.

BUILDINGS.

Included in Building Repairs are the following improvements: Transfer House at Kensington, 800 feet in length; Passenger House at Chelsea; Grain Elevator and Freight House at Bennington; Brick Engine and Boiler House at Car Shops, Detroit, with new Corliss 87-horse power Engine and Boilers.

WATER WORKS.

Since the completion of the Car Shops and Engine House near Detroit, the Company has suffered much inconvenience from the want of an adequate supply of water. This has been overcome by the laying of an 8-inch iron pipe from the river to the shops, a distance of $3\frac{1}{4}$ miles, through which the water from the river is pumped to the shops, thus insuring not only an ample supply, but greater protection against fire. The cost of the improvement has been charged to Operating Expenses.

CONSTRUCTION.

The following are the charges to this account:

Land at Detroit and Grand Rapids.....	\$40,184 00
Second track from Jackson Junction to Leoni, six miles	55,000 00
227 new Freight Cars.....	175,925 00
Total.....	\$271,109 00

Arrangements for the extension of the Jackson, Lansing and Saginaw Railroad to the Straits of Mackinaw were concluded in the month of November. It is expected that this extension will be open for traffic next fall, about the time the Road now building from Marquette to Mackinaw will be completed, which may, in the future, afford an important connection with the Northern Pacific Road.

This Extension, in addition to materially increasing the traffic of that Branch of the Road, will, it is believed, be of benefit in opening up for settlement lands which the Company has for sale.

EQUIPMENT.

The number of Locomotives is the same as given in last report, being 219, of which 192 are coal burners, and 27 wood burners; 13 having been built in the Company's shops within the past year to take the place of those condemned for service, cost of same being included in Repairs.

The Passenger Car Equipment has been increased by the building of 3 postal cars, cost of same being included in Car Repairs.

The Freight Car Equipment has been increased 900 cars, the cost of 673 of which is included in Operating Expenses, and 227 charged to Construction; 36 cars of various classes have been built in place of cars condemned for service, and 94 cars of different classes rebuilt.

OPERATION.

Earnings and Expenses for the year ending December 31, 1880, compare as follows for the same period for 1879:

EARNINGS.

	1880.	1879.	Increase.	Decrease.
Freight.....	\$6,195,970 72	\$4,986,987 84	\$1,208,982 88	.....
Passenger	2,461,771 31	2,062,264 51	399,506 80	.....
Miscellaneous	293,633 01	297,541 99	.....	\$3,908 98
Total.....	\$8,951,375 04	\$7,346,794 34	\$1,604,580 70	.....

EXPENSES.

Excluding Taxes.....	\$5,541,495 57	\$4,497,910 67	\$1,043,584 90	.....
Taxes	197,255 52	201,681 76	.....	\$4,426 24
Total.....	\$5,738,751 09	\$4,699,592 43	\$1,039,158 66	.....

RATIO OF EXPENSES TO EARNINGS.

Excluding Taxes.....	61.90	61.22	.68	.....
Including Taxes	64.11	63.97	.14	.....

FREIGHT STATISTICS.

	1880.	1879.	Increase.	Per Ct. of Increase.	Decrease	Per Ct. of Decrease
No. of Tons—Local	1,871,711	1,475,695	396,016	26.84	.....	.....
No. of Tons—Through	1,925,426	2,038,124	.....	.....	112,698	5.52
Total Tons hauled	3,797,137	3,513,819	283,318	8.06	.....	.....
Tons moved one mile	735,611.995	721,019,413	14,592,582	2.02	.....	.....
Earnings per ton per mile.	Cent 0.842	Cent 0.692	.150	21.67	.....	.....

PASSENGER STATISTICS.

	1880.	1879.	Increase.	Per Ct. of Increase	Decrease	Per Ct. of Decrease
No. Passengers—Local....	1,477,419	1,279,598	197,821	15.46	.....	.....
No. Passengers—Through, including Emigrants....	222,391	166,057	56,334	33.92	.....	.....
Total	1,699,810	1,445,655	254,155	17.45	.....	.....
Total Pass. moved 1 mile..	115,523,789	93,232,430	22,291,359	23.90	.....	.....
Earnings per pass. per mile	Cents 2.13	Cents 2.21	.....	.....	.08	3.62

The Local Freight Traffic of the Road still continues to show an increase, the tonnage having increased 26.84 per cent, but the through traffic shows a slight decrease in tonnage, viz: 5.52 per cent. The earnings per ton per mile have increased fifteen-hundredths of one cent. The Passenger Traffic shows an increase of 17.45 per cent, the local having increased 15.46 per cent, and the through, including emigrants, 33.92 per cent; but the earnings per passenger per mile show a decrease of eight-hundredths of a cent.

Further details of the operation of the different Departments will be found in the accompanying statements.

Respectfully submitted.

H. B. LEDYARD,
General Manager.

LOCOMOTIVE DEPARTMENT.

MILES RUN BY LOCOMOTIVES.

	1880.	1879.	INCREASE.	DECREASE.	PER CT.
Passenger.....	1,865,258	1,693,098	172,160		10.17
Freight	3,658,605	3,687,305		28,700	.77
Miscellaneous.....	241,023	226,651	14,372		6.34
Switching.....	1,925,181	2,090,007		164,826	7.88
Total.....	7,690,067	7,697,061		6,994	.09

EXPENSE OF MAINTENANCE.

Locomotive Repairs	\$269,927 53	\$263,166 84	\$6,760 69		2.53
Locomotive Service.....	478,190 20	425,703 41	52,486 79		12.32
Fuel	588,924 52	516,491 53	72,432 99		14.02
Oil and Waste	26,466 95	23,337 22	3,129 73		13.41
Total.....	1,363,509 20	1,228,699 00	134,810 20		10.97

COST PER MILE RUN.

Repairs	3.51 cts.	3.42 cts.	.09 cts.		
Service.....	6.22	5.53	.69		
Fuel	7.66	6.71	.95		
Oil and Waste .....	.34	.30	.04		
Total.....	17.73	15.96	1.77		

MILES RUN TO

Ton of Coal	34.53	37.54		3.01	
Cord of Wood.....	52.23	55.64		3.42	
Pint of Oil	10.49	11.85		1.36	

AVERAGE TRAIN HAULED.

Passenger.....	5.54	5.02	.52		
Freight	24.16	23.97	.19		

PRINCIPAL ITEMS OF RENEWAL.

	1880.	1879.		1880.	1879.
Engines Rebuilt—Heavy Repairs	74	69	New Trucks	2	8
Engines Built at Shop.....	13	14	New Tender Frames	47	26
New Boilers and Fire Boxes	17	14	New Cabs	26	24
New Fire Boxes—(Steel)	16	12	New Pistons.....	96	83
New Tires—(Rings)	96	84	New Injectors.....	29	26
New Driving Wheels	64	72	New Piston Rods.....	93	82
New Driving Axles.....	43	34	No. Sets Flues Reset	84	68
New Truck and Tender Wheels.....	1597	1488	No. Tire Rings Turned.....	264	240
New Truck and Tender Axles	104	168			
New Bell Ringers	20	18	Engines with Air-Brakes.....	64	59
New Sets Flues	22	28	Engines—Coal Burners	192	184
New Pilots	63	64	Engines—Wood Burners	27	35

CAR DEPARTMENT.

INVENTORY, DECEMBER 31, 1880.

	1880.	1879.	INCREASE.	DECREASE.
Inspection Cars	2	2	....	....
Paymaster Cars	1	1	....	....
Dining Cars	3	2	1	....
Passenger Cars—First Class	76	77	....	1
Passenger Cars—Second Class	24	26	....	2
Combination Cars—Passenger and Baggage	10	10	....	....
Combination Cars—Baggage and Mail	31	31	....	....
Postal Cars	6	3	3	....
Way Cars	137	133	4	....
Stock Cars—Single Deck	344	256	88	....
Stock Cars—Double Deck	150	176	....	26
Merchandise Cars—8-Wheel	3800	3184	616	....
Merchandise Cars—4-Wheel	250	100	150	....
Platform and Coal Cars	1382	1340	42	....
Derrick Cars	3	3	....	....
Pile Driver Cars	1	1	....	....
Total	6220	5345	875	....
Passenger Cars	153	152	1	....
Freight Cars	6067	5193	874	....
Total	6220	5345	875	....

PRINCIPAL ITEMS OF RENEWAL.

COACHES—General Repairs (Varnished or Repainted)	75
Slight Repairs	12
BAGGAGE AND POSTAL—General Repairs (Varnished or Repainted)	25
Slight Repairs	3
Built New (3 Postal Cars)	4
WAY CARS—Built New	6
Rebuilt	12—
General Repairs	15
Slight Repairs	36
MERCHANDISE CARS—Built New	4
Rebuilt	21—
General Repairs	355
Slight Repairs	199
STOCK CARS—Built New	1
Rebuilt	7—
General Repairs	96
Slight Repairs	27
PLATFORM CARS—Built New	25
Rebuilt	54—
General Repairs	150
Slight Repairs	160

TRACK DEPARTMENT.

TABLE OF TRACKS.	Miles of Main Track.	Miles of Side Track.
Main Line—Detroit to Kensington—		
Main Track 270.00		
Second Track 85.50		
	355.50	162.77
Air Line Division	103.60	11.42
Joliet Division	45.00	14.21
Grand River Valley Division	84.00	9.21
Jackson, Lansing and Saginaw Division.....	236.00	39.79
Kalamazoo and South Haven Division	40.00	3.14
Niles and South Bend Division	11.12	1.18
Total.	875.22	241.72

RENEWALS	1880.	1879.
Track Ties renewed	334.929	487.174
Miles of Track ballasted	34.76	12.37
Miles of Fence built—Wire	21.40	.....
Miles of Fence built—Board	86.63	63.51
Miles of Fence built—Total	108.03	63.51

FUEL DEPARTMENT.

FUEL CONSUMED.	1880.	1879.	Increase.	Per Ct. Inc.	Decrease.	Per Ct. Dec.
Amount ... { Wood (Cords)	44,862¼	46,570¾	.....	.....	1,708½	3.66
{ Coal (Tons)	236,677.64	210,303.36	\$26,374.28	12.54	.....	.....
Cost { Wood (Per Cord)...	\$2.26	\$2.16½	.09½	4.39	.....	.....
{ Coal (Per Ton).....	2.25	2.17	.08	3.68	.....	.....
Total { Cost of Wood	\$101,201.23	\$100,786.82	\$414.41	4.11	.....	.....
{ Cost of Coal	532,365.93	456,338.34	76,027.59	16.66	.....	.....
Total Cost of Fuel	\$633,567.16	\$557,125.16	\$76,442.00	13.72	.....	.....

EARNINGS AND EXPENSES.

1879.	EARNINGS.	1880.
\$4,986,987 84	Freight	\$6,195,970 72
2,062,264 51	Passengers	2,461,771 31
96,444 50	Mail	103,418 73
129,133 23	Express	121,564 20
71,964 26	Miscellaneous	68,650 08
\$7,346,794 34	Total	\$8,951,375 04

EXPENSES.

\$733,220 12	Road Repairs	\$866,648 47
75,116 85	Bridge Repairs	131,347 10
12,562 25	Fence Repairs	25,297 28
48,447 97	Building Repairs	147,140 05
29,179 93	Water Works Repairs	49,003 29
6,085 73	Dock Repairs	7,099 52
263,166 84	Locomotive Repairs	269,927 53
360,562 78	Car Repairs	400,078 30
425,703 41	Locomotive Service	478,190 20
421,867 80	Train Service	474,418 81
585,116 83	Station Service	695,064 75
9,209 05	Water Service	13,139 98
176,032 01	General Expenses	198,102 84
14,053 00	Legal Expenses	18,867 61
17,104 02	Miscellaneous Expenses	10,776 29
102,095 66	Foreign Agencies	110,468 52
73,877 48	Telegraphing	95,976 24
557,125 16	Fuel Consumed	633,567 16
29,424 29	Rental	28,695 00
55,097 84	Track Rental	104,880 52
61,005 52	Oil and Waste	78,067 88
29,778 19	Stationery	30,685 86
13,350 14	Printing and Advertising	17,219 18
11,188 73	Loss and Damage, Freight	13,460 89
6,423 99	Loss and Damage, Miscellaneous	6,124 73
1,166 36	Stock Killed and Injured	3,443 30
63,618 64	Injuries to Persons	60,789 78
259,297 41	Car Mileage	496,085 79
48,503 88	Commissions	70,960 34
8,528 79	Interest	5,968 36
\$4,497,910 67	Total	\$5,541,495 57
201,681 76	Taxes	197,255 52
\$4,699,592 43	Total, including Taxes	\$5,738,751 09

PER CENT. OF EXPENSES TO EARNINGS.

63.97	Including Taxes	64.11
61.22	Excluding Taxes	61.90

FREIGHT STATISTICS.

18

	1880.				1879.			
	Tons moved.	Tons moved one mile.	Rate per ton per mile. Cents.	Earnings.	Tons moved.	Tons moved one mile.	Rate per ton per mile. Cents.	Earnings.
THROUGH:								
Eastward	1,323,614	357,273,540	0.719	\$2,570,049 75	1,433,000	387,015,495	0.515	\$1,995,587 22
Westward	601,812	167,179,440	0.494	826,190 77	605,124	168,031,830	0.441	741,632 21
Total	1,925,426	524,452,980	0.648	\$3,396,240 52	2,038,124	555,047,325	0.493	\$2,737,219 43
LOCAL	1,871,711	211,159,015	1.326	2,799,730 20	1,475,695	165,972,088	1.356	2,249,768 41
TOTAL	3,797,137	735,611,995	0.842	\$6,195,970 72	3,513,819	721,019,413	0.692	\$4,986,987 84
Increase	283,318	14,592,582	0.150	\$1,208,982 88				
Decrease								

PASSENGER STATISTICS.

	1880.				1879.			
	Passengers moved.	Passengers moved one mile.	Rate per passenger per mile. Cents.	Earnings.	Passengers moved.	Passengers moved one mile.	Rate per passenger per mile. Cents.	Earnings.
THROUGH:								
Eastward	77,447	21,994,948	2.04	\$448,925 63	58,013	16,475,692	2.12	\$349,922 99
Westward	65,892	18,713,328	2.10	393,558 17	52,513	14,913,692	2.23	333,040 52
Emigrant	79,052	22,450,768	1.05	234,999 55	55,531	15,770,804	1.09	172,015 69
Total	222,391	63,159,044	1.71	\$1,077,483 35	166,057	47,160,188	1.81	\$854,979 20
LOCAL	1,477,419	52,364,745	2.64	1,384,287 96	1,279,598	46,072,242	2.62	1,207,385 31
TOTAL	1,699,810	115,523,789	2.13	\$2,461,771 31	1,445,655	93,232,430	2.21	\$2,062,364 51
Increase	254,155	22,201,359	.....	\$399,506 80	.....	.....	.....	.....
Decrease .....	.....	.....	.08	.....	.....	.....	.....	.....

FUNDED DEBT, INTEREST, RENTS, ETC.

DESCRIPTION.	FUNDED DEBT.			INTEREST.	
	DATE OF ISSUE.	DATE OF MATURITY.	AMOUNT.	RATE.	AMOUNT.
MAIN LINE.					
Mortgage Loan Bonds	Oct...1, 1857	Oct...1, 1882	\$437,000 00	8 %	\$34,960 00
First Sinking Fund Mortgage Bonds	Oct...1, 1857	Oct...1, 1882	1,040,500 00	8 %	83,240 00
Second Sinking Fund Mortgage Bonds ..	Oct...1, 1857	Oct...1, 1882	518,000 00	8 %	41,440 00
Equipment Mortgage Bonds	Oct..21, 1874	April 1, 1883	556,000 00	8 %	44,480 00
Consolidated Mortgage Bonds	May..1, 1872	May..1, 1902	8,000,000 00	7 %	560,000 00
Total Main Line			\$10,551,500 00		
LEASED LINES.					
Michigan Central Air Line Mort. Bonds.	Jan ..1, 1870	Jan ..1, 1890	\$1,900,000 00	8 %	152,000 00
Michigan Air Line Mort. Bonds	Oct..10, 1870	Nov ..1, 1890	200,000 00	8 %	16,000 00
Grand River Valley First Mort. Bonds ..	Oct...1, 1866	July..1, 1886	1,000,000 00	8 %	80,000 00
Grand River Valley Sec'd Mort. Bonds ..	Sept..1, 1879	Sept. 1, 1909	500,000 00	6 %	30,000 00
Grand River Valley Rental					24,560 00
Kal. & South Haven First Mort. Bonds ..	Nov ..1, 1869	Nov ..1, 1889	640,000 00	8 %	51,200 00
Kal. & South Haven Sec'd Mort. Bonds,	Nov ..1, 1870	Nov ..1, 1890	70,000 00	8 %	5,600 00
Jackson, Lan. & Sag. First Mort. Bonds } Less \$82,000, held by Sinking Fund Trustees, on which interest is not paid, }	May 26, 1865	July..1, 1885	1,024,000 00	8 %	81,920 00
Jackson, Lan. & Sag. First Mort. Bonds } Less \$103,000, held by Sinking Fund Trustees, on which interest is not paid, }	April 1, 1867	July..1, 1885	68,000 00	8 %	5,440 00
Jack'n, Lan. & Sag. Nor'n Ext'n Bonds } Less \$5,000, held by Sinking Fund Trustees, on which interest is not paid, }	May..2, 1870	May..1, 1890	196,000 00	8 %	15,680 00
Jackson, Lan. & Sag. Consol. Mort. Bonds	Aug 31, 1871	Sept..1, 1891	1,943,000 00	8 %	155,440 00
Jackson, Lan. & Sag. Rental					70,000 00
Jackson, Lan. & Sag. Expenses					750 00
Joliet & Northern Indiana Rental					89,000 00
Total Leased Lines			\$7,541,000 00		
GUARANTEED BONDS.					
Detroit & Bay City First Mortgage	May..1, 1872	May..1, 1902	\$274,000 00	8 %	21,920 00
Detroit & Bay City First Mortgage... } Bridge and Branch	May..1, 1873	May..1, 1903	150,000 00	8 %	12,000 00
Total Guaranteed			\$424,000 00		
TOTAL			\$18,516,500 00		\$1,575,630 00

FUNDED DEBT, INTEREST, RENTS, ETC.

INTEREST AND RENTS PAYABLE.

Jan. 1st.	Jan. 10th.	Mar. 1st.	Apr. 1st.	May 1st.	July 1st.	July 10th.	Sep. 1st.	Oct. 1st.	Nov. 1st.
			17,480 00					17,480 00	
			41,620 00					41,620 00	
			20,720 00					20,720 00	
			22,240 00					22,240 00	
				280,000 00					280,000 00
76,000 00					76,000 00				
				8,000 00					8,000 00
40,000 00					40,000 00				
		15,000 00					15,000 00		
12,280 00					12,280 00				
				25,600 00					25,600 00
				2,800 00					2,800 00
40,960 00					40,960 00				
2,720 00					2,720 00				
				7,840 00					7,840 00
		77,720 00					77,720 00		
		35,000 00					35,000 00		
		375 00					375 00		
	44,500 00					44,500 00			
				10,960 00					10,960 00
				6,000 00					6,000 00
171,960 00	44,500 00	128,095 00	102,060 00	341,200 00	171,960 00	44,500 00	128,095 00	102,060 00	341,200 00

C. VANDERBILT,
Treasurer.

CONDENSED BALANCE SHEET.

Construction Accounts:			
Main Line.....	\$28,709,731 67		
Leased Lines	5,141,278 33		
Equipment Bond Trustees.....	545,245 82		
	<hr/>		
	34,396,255 82		
Investments			
Detroit and Bay City Railroad.....	489,386 99		
Fuel and Supplies	340,171 78		
Bills Receivable	411,618 49		
Accounts Receivable	58,940 44		
Cash	503,629 92		
	<hr/>		
	755,362 46		
Capital Stock			\$18,738,204 00
Bond Accounts:			
Mortgage Loan		\$556,000 00	
Of these Bonds the Sinking Fund			
Trustees have purchased and now			
hold		\$119,000	
First Sinking Fund		1,508,000 00	
Of these Bonds the Sinking Fund			
Trustees have purchased and now			
hold		\$467,500	
Second Sinking Fund		671,000 00	
Of these Bonds the Sinking Fund			
Trustees have purchased and now			
hold		\$153,000	
Equipment.....		556,000 00	
Air Line		1,900,000 00	
Consolidated		8,000,000 00	
Grand River Valley		500,000 00	
		<hr/>	
			13,691,000 00
Accounts Payable.....			1,200,849 16
Income Account:			
To December 31st, 1878	\$3,019,347 81		
From January 1st, 1879	305,964 93		
	<hr/>		
			3,325,312 74
			<hr/>
			\$36,955,365 90

C. VANDERBILT,
Treasurer.

INCOME ACCOUNT.

1880.	1880.	
Dec. 31.	Dec. 31.	
Operating Expenses	\$5,738,751 09	
Interest—Main Line....	765,520 00	
Interest—Leased Lines..	619,599 58	
Rental—Leased Lines ..	184,310 00	
	— \$7,308,180 67	
Jackson Accident Claims	70,000 00	
Dividends :		
Aug. 2, 1880, 4 per cent. \$749,528 16		
Feb. 1, 1881, 4 per cent . 749,528 16		
	— 1,499,056 32	
Balance	305,964 93	
	— \$9,183,201 92	

Balance from 1879 \$97,453 21

Freight Earnings..... \$6,195,970 72

Passenger Earnings..... 2,461,771 31

Mail Earnings..... 103,418 73

Express Earnings..... 131,564 20

Miscellaneous Earnings.. 68,650 08

— \$8,951,375 04

Interest and Dividends from Invest-

ments 134,373 67

— \$9,183,201 92

C. VANDERBILT,
Treasurer.

REPORT
OF THE
LAND COMMISSIONER
OF THE
JACKSON, LANSING & SAGINAW RAILROAD COMPANY.

LANSING, MICH., April 4, 1881.

MR. WM. H. VANDERBILT,
PRESIDENT MICHIGAN CENTRAL RAILROAD,
New York City:

DEAR SIR—The annual statement of the business of the Land Department of this Company for the year ending December 31st, 1880, is herewith submitted:

SALES.

Number of acres of Land sold		47,124.41
Amount of Land sales	\$681,341 09	
Amount of Timber sales	89,620 63	
Total Land and Timber sales	\$770,961 72	

The sales for the last four years are as follows:

	1877.	1878.	1879.	1880.
Number of acres sold	17,086.86	12,415.03	14,888.26	47,124.41
Average price per acre	\$8 74	\$9 86	\$11 40	\$14 46
Amount of Land sales	\$149,397 52	\$122,411 44	\$169,789 44	\$681,341 09
Amount of Timber sales		7,002 00	28,523 48	89,620 63
Total Land and Timber sales	\$149,397 52	\$129,413 44	\$198,312 92	\$770,961 72

RESOURCES.

Cash on hand January 1, 1880.....	\$17,114 86	
From payments on Land Contracts	498,322 12	
From interest on Land Contracts	19,545 61	
From miscellaneous sources.....	312 57	
Total.....		\$535,295 16

DISBURSEMENTS.

Deposited with Farmers' Loan and Trust Co. of New York for purchase and cancellation of Bonds	\$398,292 78	
For 7 Extension Bonds, called and paid here	7,000 00	
For Taxes	31,354 22	
For Salaries	9,092 04	
For Advertising, Rents, etc	4,712 39	
Cash in hand December 31, 1880	84,843 73	
Total.....		\$535,295 16

BONDS CALLED.

During the year 322 Extension Bonds have been called in and paid, or money deposited therefor with the Farmers' Loan and Trust Company, under the direction of the Trustees.

The account with the Farmers' Loan and Trust Company is as follows:

DR.

To Balance in their hands, January 1, 1880	\$52,020 45	
To Cash deposited during the year	398,292 78	
Total.....		\$450,323 23

CR.

By reported as used in paying for 100 Extension Bonds and accrued Interest.....	\$102,135 08	
By Expenses, as reported	236 83	
Balance in their hands to pay for Bonds drawn and out- standing.....	347,941 32	
Total.....		\$450,313 23

Arrangements are perfected, and provision made, for paying all the Extension Bonds at the semi-annual drawing, to be held on the first day of May next.

ASSETS.

The number of acres of land remaining unsold is 408,881, and estimating the same at \$7.50 per acre, which is believed to be a minimum value, we have the following estimated assets:

408,881 acres of land at \$7.50	\$3,066,607 50
Amount due on Land Contracts	561,388 41
Cash in hand December 31, 1880	84,843 73
Total.....	<u>\$3,712,839 64</u>

It will be seen that the business of the past year exceeds that of any previous year. The sales have been larger, and the price obtained better, than at any time since the grant was brought into market.

O. M. BARNES,
Land Commissioner.

REPORT

OF THE

SINKING FUND TRUSTEES.

The Trustees appointed under the Trust Mortgage Deed of the Michigan Central Railroad Company to John M. Forbes, Nathaniel Thayer and H. H. Hunnewell, Trustees, under date of September 29, 1857, report:

That the standing of the Sinking Funds entrusted to them was, on the 31st day of December, 1880, as follows:

To the credit of the First Sinking Fund, viz:

BONDS AT PAR.

Michigan Central Railroad Company	\$559,500 00
Joliet and Northern Indiana Railroad Company	105,000 00
Burlington and Missouri River Railroad Company	191,000 00
Kansas City, Fort Scott and Gulf Railroad Company	4,000 00
Jackson, Lansing and Saginaw Railroad Company	135,000 00
Dixon, Peoria and Hannibal Railroad Company	13,000 00
Ionia and Lansing Railroad Company	17,000 00
Chicago, Burlington and Quincy Railroad Company	40,000 00
United States	282,000 00

STOCK AT PAR.

Michigan Central Railroad Company	10,100 00
Detroit, Lansing and Northern Railroad Company	7,200 00
Detroit, Hillsdale and Southwestern Railroad Company	3,500 00
Chicago and West Michigan Railroad Company	86,000 00
Fort Wayne and Jackson Railroad Company	33,300 00

CASH.

Old Boston National Bank	966 24
Total	<u>\$1,487,566 24</u>

And to the credit of the Second Sinking Fund, viz:

BONDS AT PAR.

Michigan Central Railroad Company	\$180,000 00
Joliet and Northern Indiana Railroad Company	32,000 00
Jackson, Lansing and Saginaw Railroad Company	55,000 00
Burlington and Missouri River Railroad Company	63,000 00
Kansas City, Fort Scott and Gulf Railroad Company	12,000 00
Ionia and Lansing Railroad Company	4,000 00
Chicago, Burlington and Quincy Railroad Company	13,000 00
United States	84,000 00

STOCK AT PAR.

Michigan Central Railroad Company	\$3,200 00
Joliet and Northern Indiana Railroad Company	1,000 00
Detroit, Hillsdale and Southwestern Railroad Company	2,500 00
Detroit, Lansing and Northern Railroad Company	2,600 00
Chicago and West Michigan Railroad Company	31,000 00

CASH.

Old Boston National Bank	1,100 42
Total	<u>\$484,400 42</u>
Total credit of the Sinking Fund	<u>\$1,971,966 66</u>

The accounts for the year ending December 31st, 1880, are as follows:

Michigan Central Railroad First Sinking Fund,
IN ACCOUNT WITH THE TRUSTEES.

1879.			
Dec. 31.	Cash in Old Boston National Bank	\$985 06	
1880.			
Jan.	1. Received 6 months interest on \$13,000 Dixon, Peoria and Hannibal Railroad Bonds	520 00	
"	1. Received 6 months interest on \$40,000 Chicago, Burlington and Quincy Railroad Bonds	1,400 00	
"	1. Received 6 months interest on \$17,000 Ionia and Lansing Railroad Bonds	680 00	
"	1. Received 6 months interest on \$13,000 Detroit, Lansing and Northern Railroad Bonds	455 00	
"	1. Received 6 months interest on \$70,000 U. S. Bonds	2,100 00	
"	1. Received for scrip of Detroit, Hillsdale and Southwestern Railroad Company	\$140 00	
	And 6 months interest on same	5 60	
"	1. Received for 35 shares Detroit, Hillsdale and Southwestern Railroad Company Stock. Sold at \$30.00	1,050 00	
Feb.	2. Received dividend on 172 shares Detroit, Lansing and Northern Railroad Stock	602 00	
"	2. Received dividend on 101 shares Michigan Central Railroad Stock	404 00	
March	1. Received 3 months interest on \$140,000 U. S. Bonds	1,574 97	
"	30. Received dividend on 333 shares Fort Wayne and Jackson Railroad Stock	666 00	
April	3. Received 6 months interest on \$191,000 Burlington and Missouri River Railroad Bonds	6,685 00	
"	3. Received proceeds of \$44.35 scrip for preferred stock of Fort Wayne and Jackson Railroad. Sold at 50	22 18	
May	5. Received proceeds of rights under 27 shares of Kansas City, Fort Scott and Gulf Railroad Stock	59 78	
June	3. Received 3 months interest on \$140,000 U. S. Bonds	1,575 03	
"	3. Received 6 months interest on \$4,000 Kansas City, Fort Scott and Gulf Railroad Bonds	140 00	
July	8. Received 6 months interest on \$70,000 U. S. Bonds	2,100 00	
"	8. Received 6 months interest on \$13,000 Detroit, Lansing and Northern Railroad Bonds	455 00	
"	8. Received 6 months interest on \$17,000 Ionia and Lansing Railroad Bonds	680 00	
"	8. Received 6 months interest on \$40,000 Chicago, Burlington and Quincy Railroad Bonds	1,400 00	
"	8. Received 6 months interest on \$13,000 Dixon, Peoria and Hannibal Railroad Bonds	520 00	

1880.		
July	22.	Received for scrip for Preferred Stock of Kansas City, Fort Scott and Gulf Railroad, transferred to Second Sinking Fund at par \$50 00
Aug.	5.	Received dividend on 101 shares Michigan Central Railroad Stock..... 404 00
"	16.	Received dividend on 172 shares Detroit, Lansing and Northern Railroad Stock..... 602 00
"	16.	Received dividend on 27 shares Kansas City, Fort Scott and Gulf Railroad Stock..... 94 50
"	16.	Received proceeds of sale of 200 shares Chicago and West Michigan Railroad Stock..... 13,450 00
"	18.	Received proceeds of sale of 100 shares Chicago and West Michigan Railroad Stock..... 6,775 00
"	26.	Received proceeds of sale of 200 shares Chicago and West Michigan Railroad Stock..... 13,750 00
Sept.	1.	Received 3 months interest on \$165,000 U. S. Bonds 1,856 14
"	13.	Received proceeds of sale of 50 shares Detroit, Lansing and Northern Railroad 5,237 50
"	13.	Received proceeds of sale of 27 shares Kansas City, Fort Scott and Gulf Railroad Stock..... 2,917 75
"	30.	Received proceeds of sale of 47 shares Detroit, Lansing and Northern Railroad Stock..... 4,995 50
Oct.	1.	Received 6 months interest on \$191,000 Burlington and Missouri River Railroad Bonds 6,685 00
"	19.	Received proceeds of sale of 3 shares Detroit, Lansing and Northern Railroad Stock..... 315 75
"	19.	Received proceeds of sale of 100 shares Chicago and West Michigan Railroad Stock 6,975 00
Nov.	5.	Received for \$3,000 Jackson, Lansing and Saginaw Railroad Bonds 3,000 00
"	9.	Received proceeds of \$3,000 Detroit, Lansing and Northern Railroad Bonds sold..... 3,502 17
"	17.	Received proceeds of \$1,000 Detroit, Lansing and Northern Railroad Bonds sold..... 1,170 19
"	18.	Received proceeds of \$2,000 Detroit, Lansing and Northern Railroad Bonds sold..... 2,340 78
"	19.	Received proceeds of \$1,000 Detroit, Lansing and Northern Railroad Bonds sold..... 1,170 58
"	30.	Received proceeds of \$6,000 Detroit, Lansing and Northern Railroad Bonds sold..... 7,035 17
Dec.	1.	Received 3 months interest on \$197,000 U. S. Bonds 2,216 37
"	1.	Received 6 months interest on \$4,000 Kansas City, Fort Scott and Gulf Railroad Bonds 140 00
"	13.	Received 6 months interest on \$2,000 U. S. Bonds, due December 31, 1880 60 00
"	13.	Received in payment for \$2,000 U. S. Bonds, due December 31, 1880 2,000 00
		<u>\$110,963 02</u>
1880.		
Jan.	1.	Paid for use of safe in Union Deposit vaults, 1 year in advance \$50 00
"	22.	Paid cost of \$6,500 in U. S. $4\frac{1}{4}$ per cent Bonds..... 6,995 63
April	14.	Paid cost of \$8,500 in Michigan Central Sinking Fund Bonds.. 9,350 00
July	28.	Paid cost of \$7,000 in U. S. $4\frac{1}{2}$ per cent Bonds..... 7,787 50
Aug.	23.	Paid cost of \$18,000 in U. S. $4\frac{1}{2}$ per cent Bonds..... 20,002 50
Oct.	15.	Paid cost of \$9,000 in Michigan Central Sinking Fund Bonds.. 9,900 00
Nov.	5.	Paid cost of \$32,000 in U. S. $4\frac{1}{4}$ per cent Bonds..... 35,560 00
Dec.	28.	Paid cost of \$17,000 in U. S. $4\frac{1}{4}$ per cent Bonds 19,040 00
"	31.	Paid Commission 1 per cent on purchases..... 1,086 35
"	31.	Paid clerk hire, \$150: advertising for Sinking Fund Bonds, \$73.05..... 223 05
"	31.	Paid express on bonds and coupons to New York, postage, etc. 1 75
"	31.	Cash in Old Boston National Bank 966 24
		<u>\$110,963 02</u>

\$26,371 87

1880.			
Jan.	22.	Paid cost of \$3,500 in U. S. 4½ per cent Bonds	\$3,766 87
Feb.	2.	Paid for use of safe in Union Deposit vaults, 1 year in advance	50 00
April	14.	Paid cost of \$2,500 in Michigan Central Sinking Fund Bonds..	2,750 00
July	22.	Paid for scrip for preferred stock of Kansas City, Fort Scott and Gulf Railroad, transferred from First Sinking Fund at par	50 00
"	28.	Paid cost of \$2,500 in U. S. 4½ per cent Bonds	2,781 25
Oct.	15.	Paid cost of \$3,000 in Michigan Central Sinking Fund Bonds..	3,300 00
Nov.	5.	Paid cost of \$8,000 in U. S. 4½ per cent Bonds	8,890 00
Dec.	28.	Paid cost of \$3,000 in U. S. 4½ per cent Bonds	3,360 00
"	31.	Paid Commission 1 per cent on purchases	248 48
"	31.	Paid clerk hire, \$50; advertising for Sinking Fund Bonds, \$24.35	74 35
"	31.	Paid postage, revenue stamps, etc.	50
"	31.	Cash in Old Boston National Bank	1,100 42
			<u>\$26,371 87</u>

THE FOLLOWING EXCHANGE OF SECURITIES WAS MADE IN MARCH, 1880:

FIRST SINKING FUND.

\$25,000 in the First Mortgage Bonds of the Fort Wayne, Jackson and Saginaw Railroad Company with the unpaid coupons thereof, were surrendered in the foreclosure proceedings, and 333 Shares of the Fort Wayne and Jackson Railroad Company preferred stock were received in exchange for aforesaid Bonds.

E. & O. E.

H. H. HUNNEWELL, }
N. THAYER, } Trustees.
W. H. FORBES, }

BOSTON, December 31, 1880.

